

### **REMARKS**

The Office Action mailed February 12, 2003 has been carefully considered. Reconsideration of this application, as amended and in view of the following remarks, is respectfully requested.

#### **Amendments to the Specification**

Paragraphs at pages 15 and 19 have been amended to correct informalities. At page 15, a reference numeral has been corrected, reference to Figure 13 has been made explicit, and a reference to a prior figure has been added for clarity. At page 19, reference to Figure 18 has been made explicit. A paragraph at page 21 has been amended to provide the application number and patent number of the related application cited there. The issued patent US 6,327,395, has already been provided in an Information Disclosure Statement mailed on February 6, 2003 in this application. None of these amendments add new matter.

#### **The Claims**

Claims 1 – 6, including independent claims 1 and 2, are pending in this application prior to entry of this Amendment. After entry of this amendment, claims 1 – 13 are pending in this application, including independent claims 1, 2 and 13.

Claims 1-4 have been amended, and claims 7 – 13 have been added. Support for the amendments in claims 1 and 2, and the limitations in newly-added independent claim 13, may be found in the specification in Figures 10, 13 and 14 and at page 9, lines 1 – 6, page 12, lines 5 – 8 and lines 17 – 20, page 13, lines 12 – 15 and the description of Figure 11, and at pages 14 – 16 in the description accompanying Figures 13 and 14. Claims 3 and 4 have been amended to better indicate some of the content of the registration information in some embodiments. Support for these amendments can be found in the Specification at, *inter alia*, pp. 9 (line 21) and 10 (lines 1 – 2).

Support for newly added claims 7 - 10 is found in the Specification in Figures 8, 9, 11 and 12, and in the description of those figures at pages 11 - 14. Support for newly-added claims 11 and 12 is found in the Specification at page 11, lines 7 - 19.

### **Information Disclosure Statements**

Initialed and signed copies of most of the prior-filed Information Disclosure Statements (IDS) submitted in this application have been received, indicating that the cited references have been made of record in this application. However, the Examiner's attention is drawn to the prior-filed Information Disclosure Statement mailed on February 6, 2003 (the first reference listed was US 6,327,395 issued to Hecht) for which a signed and initialed copy has not yet been received. This IDS was most likely received just before the mailing date of the February 12, 2003 Office Action and the references have perhaps not yet been considered in this application. The undersigned respectfully requests that the references cited in the February 6, 2003 IDS be made of record in this application, and the initialed and signed copy of the IDS be returned with the next Office communication.

Accompanying this amendment is an Information Disclosure Statement that includes the results of a partial European search report.

### **35 USC § 112**

In the Office Action, Claims 1 - 6 were rejected, in paragraph 2, under 35 U.S.C. § 112 as being unpatentable for containing subject matter (the claim limitation "displaying second information on the substrate") not described in the specification in such a way as to reasonably convey that the inventors had possession of the claimed invention at the time the application was filed.

The current amendments to claims 1 and 2 have removed the "on the substrate" language from these claims. Therefore, claims 1 and 2 are no longer directed to new subject matter, and it is respectfully requested that the rejection under 35 U.S.C. § 112 be withdrawn.

**35 USC § 102**

In the Office Action, Claims 1 - 6 were rejected, in paragraph 3, under 35 U.S.C. § 102 as being anticipated by Blanford (US 4,679,154). Anticipation under 35 U.S.C. § 102 requires that each and every claim limitation be disclosed by the applied reference. Blanford does not teach each and every claim limitation of claims 1 - 2 and therefore, as a matter of law, cannot anticipate these claims.

Amended independent claims 1 and 2 require display of a second image, that the second image include second visible data representing the second information (retrieved from a storage location) and that the second image be positioned relative to the first image based on the registration information such that an observer sees the second visible data of the second image spatially related to the first visible data of the first image.

The Office Action implies that the UPC code which lies on a label teaches "the first image on a substrate having first visible data and embedded data embodied thereon", and that the display of the data representing the price of the merchandise item being scanned in Blanford teaches the "display of the second information". Assuming this were true for the sake of argument, the limitation of Claims 1 and 2 cited above would require that Blanford teach displaying the price of the scanned item so that the customer sees the price data spatially related to all or some portion of the UPC code. Blanford does not appear to teach such a display. Indeed, Blanford has no use for the image of the UPC code once the data is decoded from it.

Since Blanford does not teach that the second image be positioned relative to the first image based on registration information, then it follows that Blanford also does not teach the claim limitation of decoding the embedded data to develop registration information.

For the foregoing reasons, is believed that independent claims 1 and 2 are not anticipated by the Blanford disclosure, and they are believed to be in condition

for allowance. Insofar as claims 3 through 12, inclusive, are concerned, these claims all include the limitations of and depend from now presumably allowable claims 1 and 2.

### **The Rhoads Reference**

In prior Office Actions, different versions of claims 1 and 2 have been rejected under 35 U.S.C. § 102 as being anticipated by Rhoads (US 6,122,403). It appears that the rejection of claims 1 – 2 under 35 U.S.C. § 102 as being anticipated by Rhoads was withdrawn on the basis of an added claim limitation directed to “retrieving second information from a storage location identified by the registration information,” a limitation that is substantially intact in amended claims 1 and 2.

Newly-added independent claim 13 does not include this limitation, and it is respectfully asserted that claim 13 is patentable over Rhoads without the limitation. Independent claim 13 requires displaying a second image including second visible data; the second image being positioned relative to the first image based on the registration information such that an observer sees the second visible data of the second image spatially related to the first visible data of the first image.

Rhoads teaches embedding data in an image for, in one embodiment, for the purpose of identifying or authenticating the image. See e.g., Rhoads, at col. 14, lines 45 – 57; col. 18, lines 25 – 28; col. 36, lines 22 – 38. In most implementations, the embedded data needs to be invisible to the human observer so as not to degrade the commercial value of the original image. Rhoads, at col. 11, lines 1 – 3; col. 41, lines 7 – 13. Rhoads teaches an application of embedding the hidden data to plastic cash cards in which it is stated that “invisibility of the master snowy pattern is not as much of a requirement as with commercial imagery”. Rhoads, at col. 61, lines 2 – 4. The discussion of the composite master snowy image and a raw image in the cash card application was previously cited

for teaching the subject invention as formerly claimed in an earlier version of claims 1 and 2.

However, anticipation under 35 U.S.C. § 102 requires that each and every claim limitation be disclosed by the applied reference. Rhoads does not teach each and every claim limitation of claim 13. Rhoads teaches both the process for embedding data in an image and for decoding the data from an image with embedded data. Claim 13 begins with a first image having both visible and embedded data and includes a decoding step for decoding the embedded data. Thus, the portions of Rhoads that are relevant to the subject invention as claimed in claim 13 are the portions that discuss decoding an image having visible and embedded data, and not the portion describing the composite image created from the master snowy image for the cash card. For Rhoads to be relevant to Claim 13, Rhoads must teach the limitations of starting with an image having embedded data, decoding the embedded data to develop registration information, and displaying a second image including second visible data; the second image being positioned relative to the first image based on the registration information such that an observer sees the second visible data of the second image spatially related to the first visible data of the first image.

For the foregoing reasons, is believed that independent claim 13 would not be anticipated by the Rhoads disclosure, and is believed to be in condition for allowance.

### **Reconsideration Requested**

The undersigned respectfully submits that, in view of the foregoing amendments and remarks, the rejections of the claims raised in the Office Action dated February 12, 2003 have been fully addressed and overcome, and the present application is believed to be in condition for allowance. It is respectfully requested that this application be reconsidered, that these claims be allowed, and that this case be passed to issue.

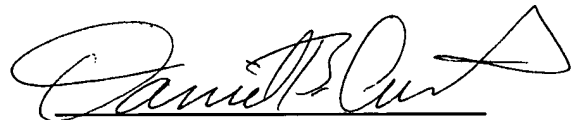
Appl. No. 09/454,526  
Amdt. dated June 10, 2003  
Reply to Office action of February 12, 2003

**Fee Authorization and Extension of Time Statement**

A fee for an extension of time for one month has been authorized in the accompanying transmittal papers. No additional fee is believed to be required for this amendment. However, the undersigned applicant attorney hereby authorizes the charging of any necessary fees, other than the issue fee, to the Palo Alto Research Center, Incorporated Deposit Account No. 50-2528. This also constitutes a request for any additional extension of time and authorization to charge all fees therefor to the Palo Alto Research Center, Incorporated Deposit Account No. 50-2528.

In the event the Examiner considers personal contact advantageous to the disposition of this case, he is hereby authorized to call Applicant's attorney, Daniel Curtis, at Telephone Number (650) 812-4259, Palo Alto, California.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel B. Curtis", with a stylized flourish at the end.

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Date: June 10, 2003